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# THE CULTURAL VALUE OF LIVE MUSIC FROM THE PUB TO THE STADIUM: GETTING BEYOND THE NUMBERS

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University  
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Arts & Humanities  
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We extend thanks to all the members of the advisory board for their ideas and assistance and, particularly, all of the people who took time out from their busy schedules to be interviewed. The qualitative nature of this research means that we needed the perspectives of a multitude of different stakeholders in British live music and their willingness to speak to us was invaluable to this project.

Finally we would like to thank the Reid School of Music and the Research & Knowledge Exchange team at the University of Edinburgh for their logistical support whilst developing the proposal and undertaking the research.

## Disclaimer

We should note that although UK Music, PRS for Music, the Musicians' Union and various venues have contributed to this project in important ways, the opinions expressed and conclusions drawn are our own and not representative of any other bodies.

## Key Findings

- The weakest point of the live music ecology at present is the small to medium independent venues.
- Policymakers need to pay more heed to the economic and cultural contribution of smaller venues. Local regimes often focus their attention on major developments whose key beneficiaries are larger businesses.
- Greater harmonisation of regulatory regimes and their implementation across the UK will benefit independent and major operators alike.
- The need for a more 'joined up' approach across council services is widely acknowledged but not always fully implemented.
- Competition between cities drives investment in infrastructural projects, yet one of the side effects of such regeneration can be a more difficult environment for venues without the commercial or political wherewithal to adapt quickly to 'gentrification'.
- It is these smaller spaces that provide both performance and social spaces for rising acts. They feed into an area's 'local character' – its musical history – in a way that makes them difficult to replace. This social aspect of independent venues, along with the relationships that derive from it, is the seed-bed from which a town or city's musical reputation grows.





# FOREWORD

Tinariwen at the Howard  
Assembly Room, Leeds.  
Both images © Tom Arber

This project is part of a long-standing programme of research that began with work on the role of live music and promoters, conducted between 2008 and 2011 by the Universities of Edinburgh and Glasgow and funded by the Arts & Humanities Research Council (AHRC).

This led to the formation of the Live Music Exchange ([www.livemusicexchange.org](http://www.livemusicexchange.org)), a web hub which produced a series of events geared towards promoting more substantive discussions and productive links between academia and the live music industry.

Our research activities took place against a backdrop of increasing significance of live music, and a growing realisation of the crucial contributions that it makes to both the UK's economy and its social fabric. The Live Music Act 2012 was a landmark piece of legislation, freeing up spaces across the country for gigs and arising out of a spirit of co-operation across the sector – from grassroots campaigners to the representatives of the upper echelons of the industry.

It was this type of dialogue that informed our proposal to the AHRC when it launched its Cultural Value project. In line with the overarching aim of the research to investigate cultural value beyond pounds, pence and tickets sold, we wished to provide an account of the broader value of live music, the range of ways in which it is expressed and the variety of people who produce it.

However, the wider picture is not as uniformly rosy as might be hoped. Whilst the sector as a whole has proven robust, and policymakers have paid increasing attention to its role as a driver of tourism, the UK's national identity and civic cohesion, many venues are still struggling. The news media abound with stories of long-standing venues closing or under threat, and the climate of austerity has eaten into the finances available to both producers and consumers of live music, as well as the local and national institutions that support them.

Nevertheless, as our title suggests, there is more to investment in live music than raw capital injection – as important as that is. Live music in the UK is a complex web of stakeholders – private and public organisations, councils, policymakers, and participants in musical activity across the full gamut of genres – with the common ground of a need for appropriate and viable *spaces* for shows to take place.

Practising musicians make their way from the smallest rooms to the largest open spaces, and this variety of venues is crucial not only to their own career development but to the cultural lives of audiences across the country. The relationships between these spaces, and their civic and social milieu, go beyond the financial. Interdependence and mutual support exist in ways that are often hidden, as are the obstacles and aids to live music provision.

It is these hidden relationships and their potential benefits that we hope to tease out as we use this report to open a conversation around music and the spaces in which it takes place that moves beyond the numbers.



Below  
Iron & Wine at the Howard  
Assembly Room, Leeds.  
Image © Fotofillia





# INTRODUCTION

The general remit of this research derives from its parent project – the AHRC’s investigation into Cultural Value, across the heritage and the arts sectors nationwide. With the arts at the forefront of government cuts, the AHRC’s programme seeks to broaden the way in which we talk about the contribution of culture to the life of the nation, beyond economic criteria and beyond straightforward delineations between commercial activity and public subsidy.

Our own investigations have suggested that live music can be thought of as an ‘ecology’, whereby different venues – of all sizes – display interdependence, alongside different promotional practices. In the first phase of the research, we focused on one venue (the Queen’s Hall in Edinburgh) and examined the range of musical activities that took place within it. In particular, it is home not just to a range of genres, but to a variety of promotional models: the commercial operators, who put on concerts to make money; the state-subsidised sector (characterised by national orchestras

and performing companies) and the ‘enthusiasts’, for whom concert promotion is more a labour of love than it is their primary source of income.

Of course, all sorts of people are drawn into the orbit of live music and the boundaries between these categories are porous. Our key concern in the current project was to produce a more concrete picture of this ‘ecology’. To illustrate how the different stakeholders across the live music sector work together, or separately, to produce a value chain from the grassroots to the apex of commercial activity we asked the following questions:

- What do they have in common?
- What are the relationships between private sector and public sector parties to live music?
- How do they interact to produce value for artists and audiences alike?

## Reframing the discussion

It has become increasingly apparent that reductionist notions of ‘commercial activity’, ‘state subsidy’ and ‘investment’ do little justice to the web of interactions between the myriad parties involved in live music production: artists, venues, local

councils and their different departments, policymakers at national level, small, large and multinational businesses – the list is long.

Yet whilst economic accounts are crucial to making the case for the value of live music, they do not provide the complete picture. A qualitative approach in addition to the figures allows for a more nuanced understanding of the *people* behind them, along with those areas in need of support, absent from headline figures, and the conversations that can take place to provide that support.

What follows is a series of illustrative examples drawn from extensive stakeholder interviews. We begin with a brief overview of the general situation in the UK and then move onto case studies featuring venues across a range of sizes and operational models in three locations across the UK – Camden, Glasgow and Leeds. Finally, we use these vignettes to outline initial findings from this research trajectory and point towards areas of interest in the relationship between the private and public sectors in live music.

‘Live music’s important. It nurtures our talent and develops their trade... I think it’s an important part of a developed society, that we recognise our cultural achievements and can actually *partake* in them, and the more we can open that up to people, the better.’

Mike Weatherley MP

MP for Hove & Portslade; Intellectual Property Advisor to the Prime Minister

# THE NATIONAL PERSPECTIVE

In one sense, the most obvious national stakeholders are those with a national reach – the UK Government, the large multi-venue businesses, promoters (for instance Live Nation along with its associates and assets, including Academy Music Group and its O<sub>2</sub> branded venues), national representative bodies (like UK Music and the Musicians' Union) and national collection societies (PRS for Music).

But each city has its 'headline' spaces – often developed in conjunction with and majority owned by local government – serving the international touring industry, shaping urban and suburban spaces and driving regeneration. These spaces involve a significant outlay from, and input to, civic life. They are the major nodes of the industry – and its most visible – but in the long term they are impossible to disentangle from the smaller operators.

As Guy Dunstan of the Birmingham NEC Group and National Arenas Association puts it<sup>1</sup>, 'I think some of the issues and where the support is needed is at the smaller end of the scale, and at the grassroots level. Because we're reliant on artists being developed through that network and scaling up to arena acts'.

**'What you want to see is acts that have been developed and are learning their trade through the smaller venue network.'**

Guy Dunstan  
NEC Birmingham  
National Arenas Association

## What is 'investment'?

The need to *support* the grassroots, then, applies beyond the needs of the grassroots. But it is here that the matter of what constitutes investment in live music becomes blurred. Whilst capital investment is difficult to come by in a time of austerity investment can take many forms, as the Live Music Act 2012 illustrates.

Hindrances and opportunities exist beyond the purely financial realm. The surrounding regulatory framework, and its implementation, can have a huge effect on the health of businesses small and large, and music provision across the board. The overarching issue is that it is difficult to disentangle 'culture' from 'commerce'. As Lord Clement-Jones notes, 'The arts are not an expensive luxury, they're what makes this country tick... Where do you separate culture from the creative industries? You can't, and people gravitate between each of them'.

A key consequence of this is that there are several areas with a huge impact on live music that don't necessarily refer directly to it, and these cut across local and UK remits:

- Licensing
- Noise abatement
- Skills and training
- Policing
- Health and safety

The ways in which these are implemented can make the difference between a healthy and a struggling local live music scene – and apply equally as local and nationwide concerns.

It is our goal here to open a discussion about the merits of moving from a merely quantitative conception of investment towards a more holistic picture of how the private and public spheres intersect, and how value can be enhanced from these interactions.

## Regional variations

The key individual concerns regarding legislation and its implementation vary across the spectrum of live music, and from venue to venue. However, a key issue in terms of whether a music scene thrives is the way in which UK wide concerns are treated, and legislation implemented, at local level.

Those venues owned or operated by larger companies (e.g. The Academy Music Group's O<sub>2</sub> Venues) have an advantage over the smaller independents and not just because they are able to call on economies of scale in their business management and a nationwide network regarding the booking of tours. They are better able to weather and respond to the specific demands of local policymakers and their officers.

The Live Music Act 2012 has reduced the bureaucracy around entertainment licensing, yet there still exists a huge breadth of variation in how local councils respond to the existing instruments in place. A good example is the Clean Neighbourhoods and Environment Act 2005, which allows local councils to designate areas in which a license must be bought to hand out flyers. Small promoters are poorly placed to meet this cost, placing their potential success or failure at the hands of local government.

The smaller independent operators are also at the sharper end of noise abatement regulations, for instance, not least because the cost of complying with council responses to complaints is harder to absorb. Again, the extent to which negotiation and flexibility come into play can be something of a 'postcode lottery'.

## Notes

1. All quotes are from interviews carried out as part of this research. Interview respondents are listed in the Notes on Methodology at the end of this report.

# THE NATIONAL PERSPECTIVE

This is not to suggest that the larger companies and the venues that they operate are not subject to local variation. Paul Latham – President, Live Nation UK – notes that matters have improved in the UK, but that there is still scope for more standardisation in terms of local practice: ‘You’ve still got specialities. You might find, somebody focuses on crowd dynamics, somebody focuses on pyrotechnics, somebody’s bothered more about access and egress. It comes, again, with local flavour’.

## Varied ownership models

Councils undoubtedly contribute to live music provision, directly and indirectly. Their contribution to landmark projects such as the Leeds Arena and Glasgow SSE Hydro is well documented. Council related organisations also operate venues that house companies such as Opera North in Leeds and the Royal Scottish National Orchestra<sup>2</sup>.

The other side of this is that there are council owned venues operated by companies such as Live Nation (e.g. Southampton O<sub>2</sub> Guildhall) catering to the more ‘commercial’ end of the market. Benefits flow both ways from these models – companies like Live Nation are able to leverage their expertise and contacts to minimise the risk of running venues which are subsequently less likely to operate at a loss. At the same time, council controlled companies can use the investment in state funded performers that they house to provide access to cultural events for their constituents.

The gap in both local and national policy pertains to the role of those commercially run venues without operational links to either councils or larger UK chains. These fulfil a crucial role in providing a forum for those commercial acts too small for the chains, yet sit awkwardly in between the pillars of ‘commerce’ and ‘culture’.

## Problems for independent venues

It is these independents that are most sensitive to the interpretation of what constitutes unacceptable noise, and how officers balance the concerns of residents and businesses. Without the financial wherewithal of big business, they are also subject to rising property prices and rates. Music venues are notoriously precarious businesses to run and stories abound of well-loved local venues falling by the wayside as regeneration takes hold. The Duchess of York, in Leeds, is a good example of this – now a Hugo Boss shop. Every major city in the UK seems to have its own legendary venue which has been lost.

Protecting these venues – the so called ‘toilet circuit’ – might not be within local councils’ remit. Yet they contribute to the local economy as well as the national circuit. Although new initiatives, notably the Music Venue Trust and Independent Venue Week, are starting to provide a voice for this part of the overall ecology, it is also incumbent on local authorities to

look beyond landmark arena projects to the spaces nurturing the acts that hope to one day play them.

There is a need for balance between what Leeds band Hope & Social’s Rich Huxley – drawing on extensive experience of putting on shows in publicly and privately owned spaces – calls ‘the shiny’ projects, along with councils’ non-commercial cultural and educational remits, and creating an environment where musicians can meet and play on their own terms. This means bearing in mind that venues – as well as local residents – have rights. Although perhaps difficult to deploy, taking account of the ‘right of first occupancy’ would be one way of addressing this.

The situation varies between cities, and across venues. Our aim here is not to provide a comprehensive account of the whole sector, which contributes £662 million to the UK economy<sup>3</sup>. The following case studies provide a snapshot of the activities and concerns of the people behind such headline figures.

**‘Some of the situations certainly look harsh where you’ve got one resident making a complaint against a venue that’s got hundreds of people around it who aren’t complaining and the local authority have chosen to serve this notice...There doesn’t seem to always be a very consistent approach to it.’**

**Kelly Wood, Live Performance Official, Musicians’ Union**

## Notes

2. The Leeds first Direct Arena is 100% owned by Leeds City Council, and leased to SMG. The Glasgow SSE Hydro Arena is owned and managed by SEC Ltd, a company in which Glasgow City Council has a 91% stake. The Leeds Grand Theatre & Opera House Ltd operates venues in Leeds (including the Grand Theatre & Opera House and Howard Assembly Room). It is a registered charity, owned by the council and governed by a Board of Trustees comprised of five elected members of Leeds City Council, one of whom is Chair of the Board. The Glasgow Royal Concert Hall, City Hall and Old Fruitmarket venues are operated by Glasgow Life, a company and registered charity which receives funding from and delivers services on behalf of Glasgow City Council.
3. UK Music (2013), *The Economic Contribution of the Core UK Music Industry*, UK Music, p.10



# CAMDEN

**Below**  
The site of The Roundhouse has hosted countless iconic acts since its inception in the 1960s and been an important part of the local cultural economy since re-opening in its current form in 2006.  
Image © Will Pearson

Camden Borough is internationally renowned as a vibrant site of live music. Camden Town in particular is a hub of live music activity ranging from small pub rooms up to The Roundhouse, at a capacity of 3,000.

Camden alone accounted for seven of the Top 100 venues in the UK (by concerts put on) according to PRS data released in 2012<sup>4</sup>, with another four in neighbouring Islington. London accounted for 30% of the Top 100.

In 2012 there were 5,532 ticketed concerts licensed by PRS for Music in Camden (see Table 1, below). In addition to this, of course, a huge range of free events – many facilitated by the Live Music Act 2012 – contribute to the local atmosphere that makes it an iconic location for live music.

**Promotional models in Camden**

Provision in Camden covers a range of promotional and ownership models and genres. MAMA & Company, the UK's second largest venue operator, has a strong

presence in Camden where it runs The Jazz Café and The Barfly. Smaller groups also thrive there – Bugbear Promotions books acts for The Dublin Castle and nearby Hope & Anchor in Islington.

Other notable venues include the 1,500 capacity Koko (formerly Camden Palace), the Electric Ballroom and Dingwalls, which is operated by pub and entertainment company IntertainUK. The Roundhouse is the largest venue in Camden – a charity, with a focus on nurturing creativity in young people.

As well as this variety, Camden's strength, to a large extent, derives from its history, as independent venues draw international footfall – and contribute to the tourist economy – due to the famous names that have played there in the past.

**Notes**  
4. [www.prsformusic.com/aboutus/press/latestpressreleases/Pages/Top100UKmusicvenuesrevealed2012.aspx](http://www.prsformusic.com/aboutus/press/latestpressreleases/Pages/Top100UKmusicvenuesrevealed2012.aspx)

Table 1: Ticketed concerts returning to PRS for Music in Camden in 2012

Venue Type	Number of Concerts
Arenas & Stadiums	0
Mid-level Venues (Capacity 2,500+)	138
Theatres (Capacity 1,000 - 2,499)	853
Clubs (Capacity Under 1,000)	3,751
No Capacity Information	788
Parks	2
Overall	5,532

Source: PRS for Music



# CAMDEN CASE STUDY

## THE DUBLIN CASTLE

### Below

The Dublin Castle has been a music venue since 1979 and has given early exposure to numerous acts, such as Madness, The Arctic Monkeys and Amy Winehouse (pictured).

Privately owned (by Henry Conlon, son of the founder of the venue) The Dublin Castle is a pub – a free house – that has an exclusive arrangement with independent promoters Bugbear to book for the 150 capacity space behind the public bar.

As part of the Camden Inner London Licensed Association (CILLA) it is also a good illustration of the importance of dialogue between local businesses in their dealings with the council and police. Licensee Mariana Salgueiro describes the mutually supportive nature of the local venues and other businesses.

‘We’re quite helpful with one another. We support each other’s licenses, so if someone wants to go on till later, even if we know it will affect our crowd, we always go and support their cases. The main venues are all majorly involved.’

CILLA also does charity work, and involves a longstanding network of contacts that has fostered this dialogue, again tied to the history of the area. This co-operation is a necessity. Despite good relations, venues sometimes feel a sense of pressure from council and police – and a broader feeling that venues are the first to shoulder the blame for public order problems and mess.

### The value of local history

The benefits to the area as a whole from local and international trade derive directly from this network of independent venues. Importantly, it is their distinct and independent identities that, in aggregate, sustain this appeal. What makes Camden work as a live music hub is ease of access but also a history and, crucially, a sense that history could be made again. As Salgueiro notes, ‘The reputation is the history... I do believe that because of the amount of venues, because of its historical importance, because it’s easy to get to, from pretty much anywhere, I think the industry, the music industry would ask you to play in Camden... Sometimes I believe that bands play there just to say that they’ve played in Camden, or just to say that they’ve played in a particular venue where these major artists have performed. I think that that gives it its uniqueness’.

This sense of musical history applies beyond musicians, and the music industries. It feeds into the local economy, and the wider tourist economy, as a result of the musicians who have frequented the area in the past.

‘We get people travelling from Japan who come to The Dublin Castle because they know that Amy Winehouse played there and she used to frequent the bar. And they sit down and they’re thinking “I’m drinking where she drank”. And I think that makes you feel that you’re part of that scene which you want to belong to.’

Mariana Salgueiro  
Licensee  
The Dublin Castle



Image © David Colbran / Alamy



Image © grenville charles / Alamy

# CAMDEN CASE STUDY

## THE BARFLY

### Below

Large promoters use venues like The Barfly for up-and-coming acts. Bands such as Muse, Coldplay and Oasis (pictured) played the venue before going on to achieve international recognition.  
Image © i4images premium / Alamy

Another relatively small premises, The Barfly (220 capacity upstairs, 200 downstairs) is also a good example of the contribution that local venues make to the area.

Along with CILLA, and business-led community forum Camden Town Unlimited, it contributes to the 'Quiet Streets' initiative. This sees door staff staying on for an extra half-hour at weekends, at the businesses' expense, to minimise anti-social behaviour. Again, however, this illustrates the grey area between venues fulfilling their obligations under licensing and environmental health regulations and going 'the extra mile' because of a lingering sense that they might be perceived as the source of problems.

They are expected, rather than required, to make these contributions – an assumption that the onus is on the venue. From having extra work in clearing up plastic glasses after Camden Calling to paying door staff to monitor the streets, venues soak up hidden costs and responsibilities as a part of maintaining good local relations.

Nevertheless, those relations broadly are good with the local authority. Individual officers are helpful over matters like Temporary Event Notices, for instance, where an email calling for an amendment to an application will come in, rather than a rejection.

If there is room for improvement, it is in the way that local government is structured. This is not necessarily amenable to venues, with too little communication across licensing, environmental health and policing. There is a general feeling that a more consolidated system would be a benefit, although CILLA partly fulfils that role.

### The major promoters and the local scene

The Barfly also illustrates, however, the pervasive influence of the big companies in local scenes, and the interconnectedness of the live music industry in general.

Mama runs six venues in London and three regionally, as well as several festivals and a team of promoters. It holds a long-term lease on the premises of The Barfly with its own promoters filling approximately 70% of the shows there. Most of the rest are taken up by other major promoters – e.g. Live Nation, SJM, Metropolis and Kilimanjaro.

All of these organisations aim to develop relationships with artists over the long-term. It therefore suits them to have a smaller 200 capacity venue like The Barfly to feed through to the larger spaces. Again, the roster of past acts contains today's stadium headliners.

But the extent of how far the integration of the major companies feeds into even the smaller venues is notable. 'Competition', in some ways, is less competitive than may at first seem to be the case. As David Byard, Assistant General Manager at The Barfly puts it, 'It's the way the whole industry works as well. Our biggest competitors... are Live Nation, who obviously are a promoter who we want to book talent with us, they're a ticketing agent who we want to sell our tickets. But they're also running a chain of venues who are in direct competition with us. So it's that strange sort of parallel of working with them, but them being the competition.'

The operations of the commercial sector, then, reach down to ground level, participating in the same local networks as independents, suggesting that 'grassroots' and major players are not as distinct as the narrative of 'commerce' vs 'community' might suggest.

**'The old mixing desk from here is in the head office at MAMA and it's got a list of artists who have been mixed through this desk. And it's Oasis, Razorlight, Muse, Coldplay. Those stadium bands. And they've all been here at some point in their early career.'**

David Byard  
Assistant General Manager  
The Barfly









# CAMDEN CASE STUDY

## THE ROUNDHOUSE

One of only two 3,000 capacity venues in London (the other is The Troxy, in East London), The Roundhouse is owned in Trust and operated as a charity founded by Sir Torquil Norman who bought the building, then derelict, in 1996. Its key remit is providing arts access, education and opportunities for 11 to 25 year-olds.

It is here that the intersections between commerce, the third-sector and state support become apparent. The Roundhouse was initially heavily supported by the Arts Council with the intention that it would become self-sustaining. As its commercial activities have grown, direct Arts Council funding has dropped to around 8% for its core activities. It still receives support for its activities as an Arts Council 'Arts Bridge' organisation (essentially supporting staff), working to support the Arts Council's goal of providing a link between schools and arts provision.

The Roundhouse's commercial music programme operates at a profit, all of which goes to support its charitable activities, as does the income generated from corporate hires. Within the live music programme there is a delicate balance between a remit to provide diversity and the high financial target necessary to support the charity.

An iconic venue since its inception in the 1960s, The Roundhouse maintains relationships with the major promoters – an inevitability given the rarity of its capacity size in the capital, and also the nature of the industry; although able to promote shows itself, it relies on external promotions for approximately 70% of its main space shows.

Dave Gaydon, Head of Music at The Roundhouse, explains, 'It's a very tiny industry - well, it's a massive industry, but controlled by very few people. And for me, it's about accepting that that's the way the live music industry works, and maintaining the close relationships I have with those five or six people in the industry. Because without them, we wouldn't have any shows'.

### Private and public

The Roundhouse both provides and receives 'in kind' benefits. Its charitable status means that it receives *pro bono* legal work and discounts from sound and lighting suppliers for shows that it promotes. But its relationships to other promoters, alongside its charitable status, also mean that it can leverage the activities of the commercial operators to support its work.

By holding onto 70% of ticket stock for all of its shows, including external promotions, it has built up a large database. This was a struggle at first, but once it had established itself as a charity and not just, as Gaydon puts it, 'a big round rock and roll venue' it has been able to operate a *quid pro quo* whereby other promoters allow it to retain the ticket stock in exchange for The Roundhouse putting out their shows on its mailshots. This has also been reciprocated when needed, on request.

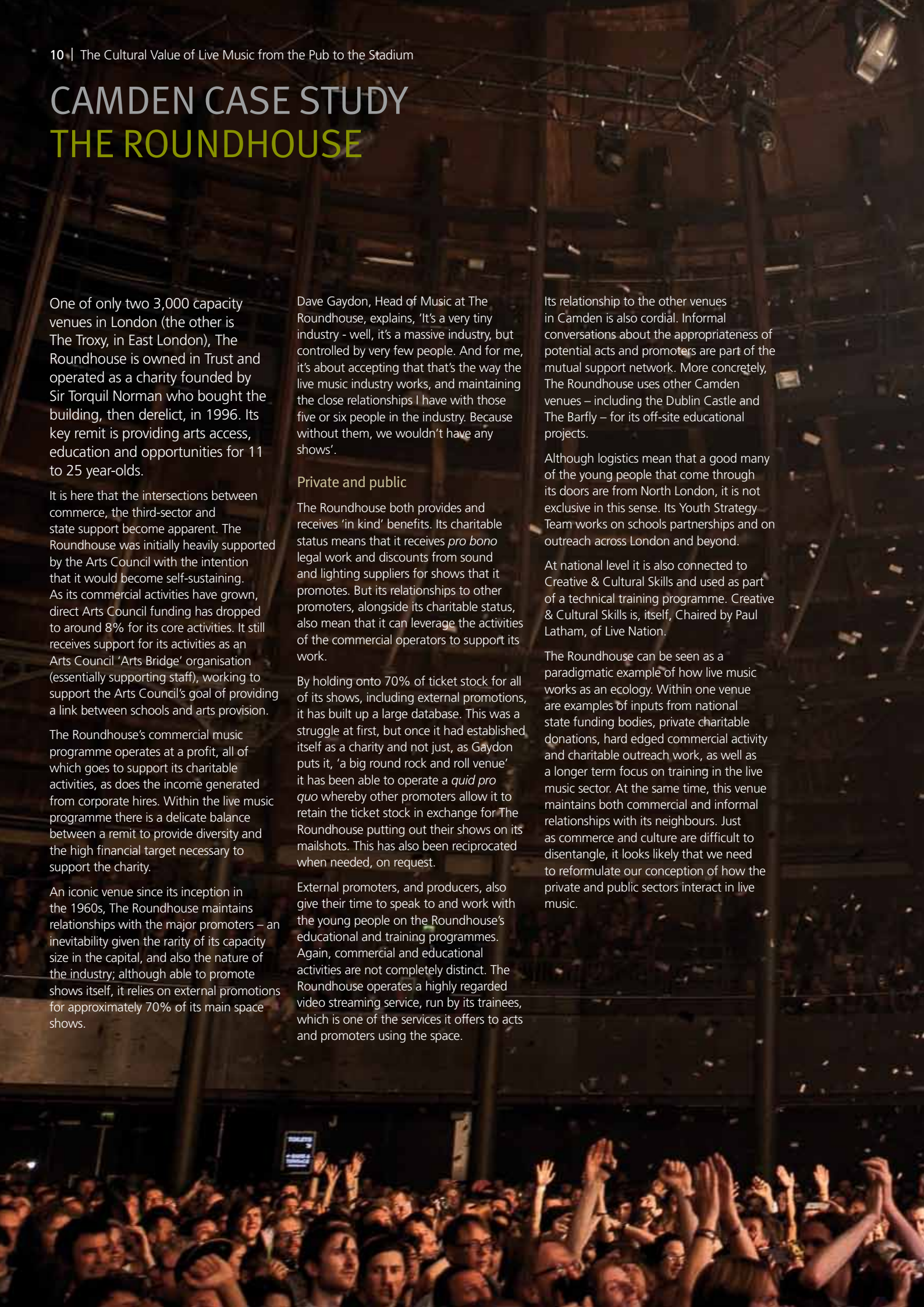
External promoters, and producers, also give their time to speak to and work with the young people on the Roundhouse's educational and training programmes. Again, commercial and educational activities are not completely distinct. The Roundhouse operates a highly regarded video streaming service, run by its trainees, which is one of the services it offers to acts and promoters using the space.

Its relationship to the other venues in Camden is also cordial. Informal conversations about the appropriateness of potential acts and promoters are part of the mutual support network. More concretely, The Roundhouse uses other Camden venues – including the Dublin Castle and The Barfly – for its off-site educational projects.

Although logistics mean that a good many of the young people that come through its doors are from North London, it is not exclusive in this sense. Its Youth Strategy Team works on schools partnerships and on outreach across London and beyond.

At national level it is also connected to Creative & Cultural Skills and used as part of a technical training programme. Creative & Cultural Skills is, itself, Chaired by Paul Latham, of Live Nation.

The Roundhouse can be seen as a paradigmatic example of how live music works as an ecology. Within one venue are examples of inputs from national state funding bodies, private charitable donations, hard edged commercial activity and charitable outreach work, as well as a longer term focus on training in the live music sector. At the same time, this venue maintains both commercial and informal relationships with its neighbours. Just as commerce and culture are difficult to disentangle, it looks likely that we need to reformulate our conception of how the private and public sectors interact in live music.





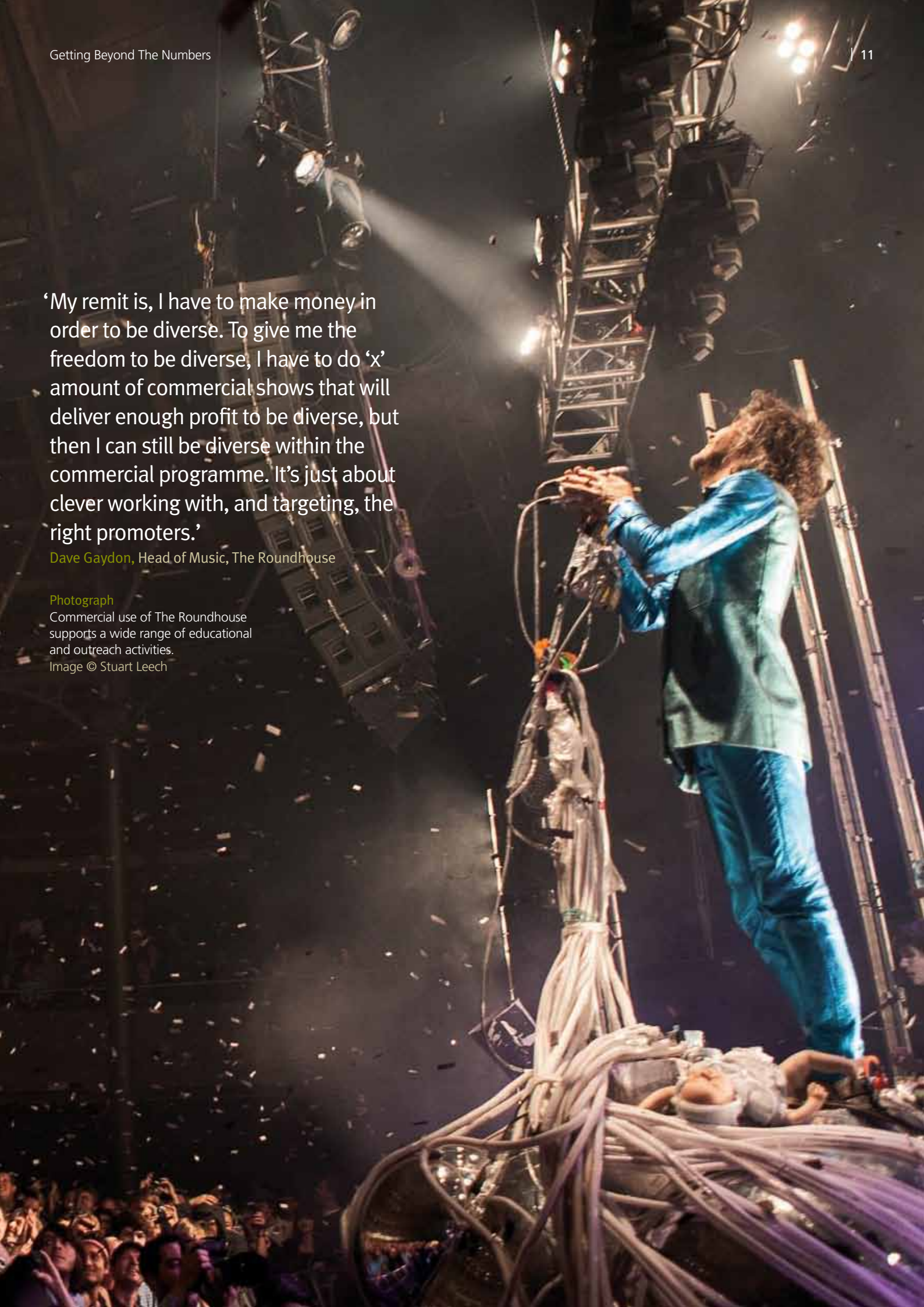
‘My remit is, I have to make money in order to be diverse. To give me the freedom to be diverse, I have to do ‘x’ amount of commercial shows that will deliver enough profit to be diverse, but then I can still be diverse within the commercial programme. It’s just about clever working with, and targeting, the right promoters.’

Dave Gaydon, Head of Music, The Roundhouse

**Photograph**

Commercial use of The Roundhouse supports a wide range of educational and outreach activities.

Image © Stuart Leech





# GLASGOW

**Below**  
Glasgow city centre supports a huge range of music, in a wide spectrum of venue capacities.  
Image © Campbell Mitchell

Glasgow is home to 8 of the Top 100 venues (by concerts put on per year) in PRS data released in 2012, placing it second in the UK after London.

In 2012 there were 2,030 ticketed concerts providing a PRS return in Glasgow (see Table 2, below), a headline figure that is the tip of the iceberg for a city with an international reputation as a live music hub.

**Promotional models in Glasgow**

Glasgow is the biggest city in Scotland, so it's no surprise that it supports the full spectrum of venue sizes and many different types of promoter. This range covers DIY ventures, publicly supported concert halls, club spaces and mid-scale venues, both independents and those linked to international companies along with a mix

of private and public investment – such as at the Scottish Exhibition & Conference Centre and its new SSE Hydro Arena<sup>5</sup>.

The PRS Top 100 UK venues list reflects the interconnectedness of private and public investment. The iconic King Tut's Wah Wah Hut (No.9) is owned and operated by DF Concerts, Scotland's largest promoter. DF itself is majority owned by Live Nation Gaiety, a partnership of Live Nation and the Irish promoter Denis Desmond. The ABC (No.14) and O<sub>2</sub> Academy (No.95) are part of the O<sub>2</sub> chain of venues, owned and operated by the Academy Music Group in which, again, Live Nation has a majority stake.

The education sector is represented by the Royal Conservatoire of Scotland (No.33) – a charity and company limited by guarantee

– run by a Board of Governors which also serves as the Board of Directors for the company.

The city itself has a significant stake in other top venues. The Scottish Exhibition and Conference Centre (No.69) – which now includes the Hydro Arena – is owned and operated by Scottish Exhibition Centre Ltd (SEC Ltd) a private company limited by shares. Glasgow City Council is the largest shareholder with 91%.

A different aspect of city involvement is represented by Glasgow Life, a Community Interest Company and registered charity set up in 2007 to deliver cultural and leisure services on behalf of Glasgow City Council. Amongst its venues are the Glasgow Royal Concert Hall (No.33), Glasgow City Halls (No.43) and Kelvingrove Gallery and Museum (No.84).

Table 2: Ticketed concerts returning to PRS for Music in Glasgow in 2012

Venue Type	Number of Concerts
Arenas & Stadiums	103
Mid-level Venues (Capacity 2,500+)	93
Theatres (Capacity 1,000 - 2,499)	790
Clubs (Capacity Under 1,000)	762
No Capacity Information	282
Parks	0
Overall	2,030

Source: PRS for Music

Table 3: 2012/13 performances and attendances

Venue Type	Performances	Attendance
Concert Halls <ul style="list-style-type: none"><li>Royal Concert Hall</li><li>City Halls</li><li>Fruitmarket</li></ul>	301	264,000
Prominent Commercial Venues <ul style="list-style-type: none"><li>SECC</li><li>O<sub>2</sub> Venues</li><li>Barrowland</li></ul>	492 (estimate)	743,000 (estimate)

Source: Glasgow Cultural Statistics Digest, 2013

**Notes**  
5. The Arena is sponsored by utility company SSE Ltd, formerly Scottish & Southern Energy.



# GLASGOW CASE STUDY

## THE GLAD CAFÉ

### Below

The music venue at the Glad Café is popular with local bands and increasingly so with touring acts.  
Image © Ag Architectural Photography

The Glad Café is a Community Interest Company in the Southside of Glasgow. As part of its remit to put profits to work for the local community, its owners have set up the Glad Foundation. This provides, amongst other things, affordable music lessons for young people.

The 120-capacity music venue occupies a space behind the café. Both were set-up and are run by the local Smillie family. Still in the process of making its name, it serves mainly independent and DIY promoters. The bulk of the Glad's shows are promoted by local bands, or co-promoted by the venue and artist. It has strong relationships with promoters at the Mono and Nice n Sleazy venues in the city centre. Larger Glasgow operator PCL has put on shows there, although less so since it opened its own venue, Broadcast, suggesting that in the long run, consolidation of ownership could eat into the trade of sole independent operators.

### Indirect state support

The Glad illustrates the role of the third sector and, by extension, indirect state support at the edges of the popular music scene. With a ten-year lease on its premises, it was set up with the help of a loan from Social Investment Scotland, a Social Enterprise and not for profit provider of business loans to the third sector. Other inputs are grant funding from Arts &

Business Scotland, a charity and limited company. This is a membership company that received Scottish government money and support from Creative Scotland. It is also sponsored by Scotrail.

### In-kind contributions

Crucially, the Glad depends on the *time* and in-kind contributions of both artists and Glasgow companies. Its PA system is provided by SSK Conferences and Events on a part donation basis. The Arts & Business Scotland grant is match funded against other in-kind contributions, including those from SSK and Create48, which has done work for the company.

The Glad Foundation has received money from Creative Scotland, although this is ringfenced for specific initiatives, such as the Brazilian Rhythm & Song project, and cannot contribute to supporting the venue business.

The venue and café employ the equivalent of 15 full-timers, as well as the services of a bank of volunteers, with staff costs being the main ongoing outlay. They may struggle to pay for an assistant for venue manager Joe Smillie next year without another source of income. Success in terms of local appeal, interest from international agents and the support of artists is difficult to translate into financial stability. Business manager, Rachel Smillie, notes, 'Keeping the show on the road is a constant challenge. Although we feel we're very busy...it's very hard to make a profit'.

### The pros and cons of public bodies

Although benefiting from state support at a financial level, particularly at arms length, The Glad Café illustrates the problems that music venues have in dealing with large public bodies. Having already installed soundproofing upon converting the premises, they shut for a month at the beginning of 2013 to completely reline the room, so that it is a 'box within a room' in order to address complaints.

Happy to comply with the conditions of planning consent, and keep in with the neighbours, they nevertheless found the process trying. Environmental Health, for instance, would not come out to measure levels at their request, but only upon a receiving a complaint, making it harder to measure overall levels of noise and establish a meaningful long-term dialogue with neighbours. This has now been alleviated by the extra insulation, but at considerable extra cost to the venue. Rachel Smillie explains, 'A typical night might be three bands, playing for forty minutes each, so we were saying, 'Come out when we've got noise on, and then we can discuss it'.

The Glad has had a very positive experience with the council's Planning and Regeneration Department, but mixed results from Environmental Health and the Licensing Board. Whilst Glasgow City Council is strong on supporting live music at the top level, and as part of its overall brand, smaller operators can struggle to navigate the maze.

**'It would be great if the council was more open to creative discussions. If they could be a bit more open and flexible.'**

Rachel Smillie  
Business Manager  
The Glad Café



# GLASGOW CASE STUDY

## GLASGOW LIFE: GLASGOW ROYAL CONCERT HALL, CITY HALLS AND OLD FRUITMARKET

Glasgow Life is a clear example of state as well as civic money feeding into the local ecology. Public money funds the halls through the fee that it receives from the City Council for operating them but Glasgow Life officers are also encouraged to look at commercial opportunities.

The venues' biggest clients are the state funded national orchestras and BBC Scottish Symphony Orchestra. Scottish Government money is a significant factor in the refurbishment of the Glasgow Royal Concert Hall, due its status as the home to the Royal Scottish National Orchestra. This will see a new 600 seat venue, and refurbished 400 and 100 seat spaces alongside the existing 2,475 seat space.

### A mix of music

The orchestras each promote 20 to 40 concerts per year, meaning that they drive the shape of the year – and the week – at the concert halls. The rest of the calendar is taken up by commercial hires, often by large promoters like DF Concerts and Regular Music. As well as receiving direct commercial input into its venues through hires, Glasgow Life has worked on city-based events – such as Glasgow Loves Christmas and the BBC Proms in the Park – with DF Concerts and Regular.

The intersection of public and private investment is also evident in Glasgow's Festivals. Celtic Connections, in particular, receives money from the city and Creative Scotland, as well as significant box office

revenues, and is a Glasgow Life brand. Smaller commercial venues benefit from the overspill of shows from the main concert halls, so state investment in a major 'city brand' event also brings bookings to the commercial sector.

The same applies to the Glasgow Jazz Festival, which receives money from the Council and Creative Scotland but is monitored by Glasgow Life as part of its contract with the Council. Again, the festival is based mainly at the City Halls (Grand Hall, capacity 1,036) and Old Fruitmarket (standing capacity 1,200) – Glasgow Life venues – but the overspill from concert halls into smaller commercial venues is significant.

### Working with the city

Glasgow Life and its venues benefit from close relationships with the Glasgow Marketing Bureau and Glasgow UNESCO City of Music in terms of promoting the city as a whole. This overarching attention to the city's cultural life feeds into the health of its overall music ecology in a general way insofar as it provides landmarks for cultural provision.

As Svend Brown, Glasgow Life's Head of Music, explains, 'If you take the Glasgow Royal Concert Hall... everyone thinks of it as quite a posh building... The truth of the matter is that this building is home to classical music for forty or forty-five nights of the year, and for most of the rest of the year it's used by rock bands, middle aged impressionists [and] whatever else. It's a very, very multi-use hall.'

Like the orchestras, Glasgow Life is very active in music education and outreach work – again covered by its fee from the council. It programmes elsewhere in the region and built into the rejuvenation of the Royal Concert Hall is a model to provide free events, like London's South Bank Centre post refurbishment.


The city overall has benefitted enormously from landmark events – from the Burrell Collection in 1983, then the Garden Festival in 1988. Glasgow's role as City of Culture in 1990 was a turning point in shaping its cultural life in a post-industrial context. Government and city investment in this year's Commonwealth Games continues this pattern and has also sheltered Glasgow Life and its venues from the worst effects of cuts at UK level.

This stems from a long-term strategic recognition of the importance of cultural activity to a city's well being. As Chief Executive of Glasgow Life, Bridget McConnell, puts it, 'The benefit of working in Glasgow over the last couple of decades has been that [policymakers] do subscribe to the idea that supporting culture in the city is a good thing.'

McConnell and Jill Miller, Glasgow Life's Director of Culture, cite a generally 'empathetic approach' in the Council. This is clearly of direct benefit to the city's high cultural institutions and, by association, to other venues, but the difficulties encountered by the Glad Café suggest that the benefits of this vision are not always felt as strongly at ground level by independent operators.







‘It’s a matter of civic pride. A lot of people are very proud of having a building like this in the middle of the city. It’s a really visible, high-up icon on the two busiest streets bang in the middle of Glasgow.’

**Svend Brown**, Director of Music, Glasgow Life, referring to Glasgow Royal Concert Hall

**Far Left**

Glasgow City Halls, home to the BBC Scottish Symphony Orchestra.  
Image © Glasgow Life

**Left**

The Old Fruitmarket is a venue for Celtic Connections and Glasgow Jazz Festival.  
Image © Glasgow Life

**This Page**

Feist at the Glasgow Royal Concert Hall, which houses the Royal Scottish National Orchestra but also hosts a huge variety of other music.  
Image © Graham Parsons

# GLASGOW CASE STUDY

## SCOTTISH EXHIBITION & CONFERENCE CENTRE AND SSE HYDRO

The majority Council-owned SEC Ltd, which operates the SECC venues and the new 13,000 capacity Hydro Arena, is a clear example of economic input from the city and the consequent regenerative effect.

It has strong corporate links, with a strategic partnership with AEG and a £15 million injection in naming rights from SSE, as well as sponsorship from Heineken and Coke. Its 2012 review cites an economic impact of £4 billion over ten years, and its value in 'bed nights'<sup>6</sup> and nearby redevelopment is a significant factor in the regeneration of Glasgow's dockland.

This is, however, only made possible with public money. The original SECC was built with money from the Scottish Development Association and the additional 'Armadillo' Hall, in 1997, with money from Glasgow City Council.

The new arena is a mix of public money and investment from SEC Ltd itself. The company paid for the largest share of the roughly £116 million project, partly through loans and also through the sale of assets. A £40 million gap in funding was made up by the public sector, with a £15 million contribution from Glasgow City Council and £25 million from Scottish Enterprise. SEC Ltd ascribes its good general relations with the Council partly to its successful commercial operation of the venues – it does not need continuing operating subsidies. This commercial emphasis does feed into the venue's character – until the naming rights were sold, it was spoken of as Scotland's 'National Arena'.

### Putting Glasgow on the map

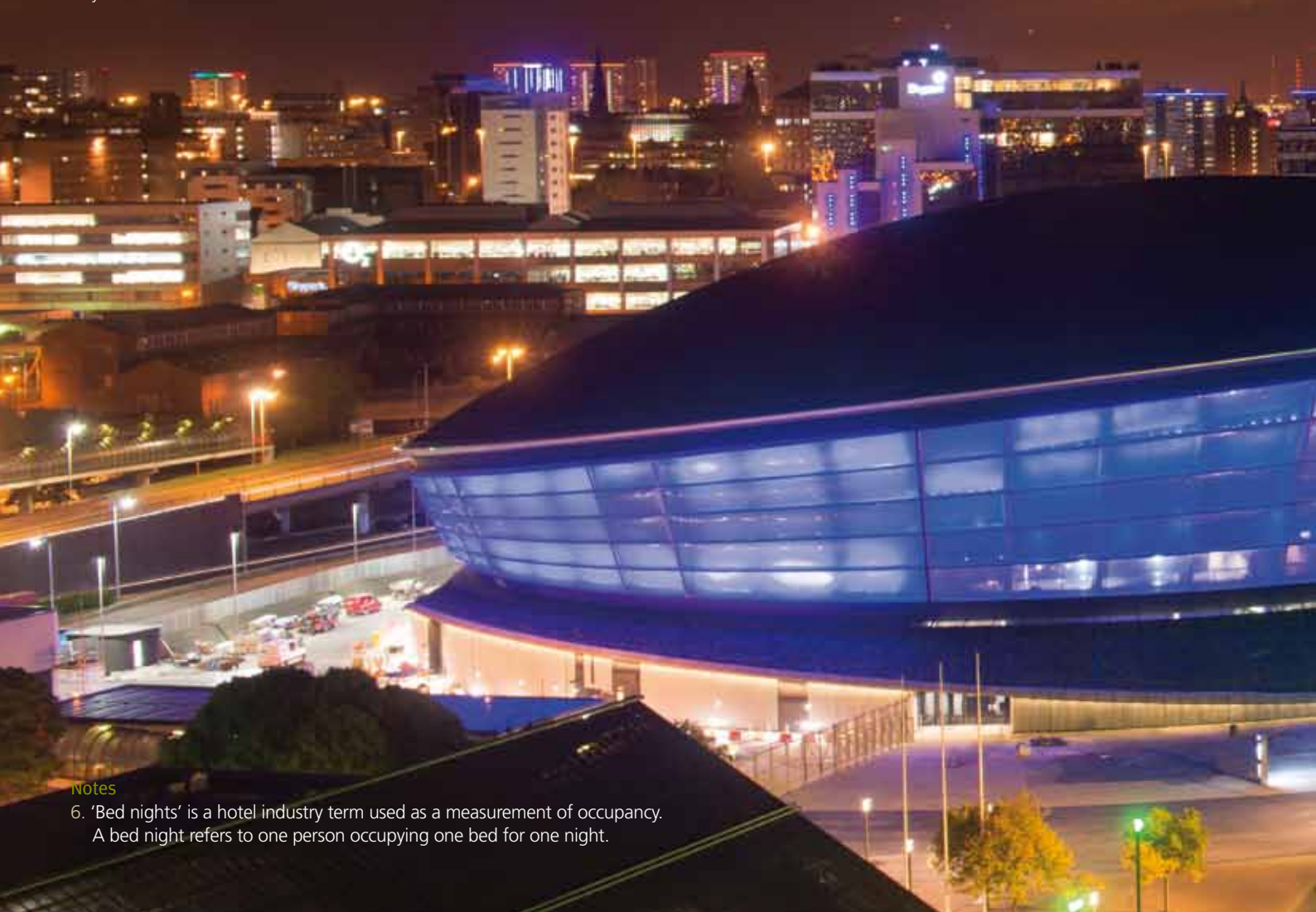
The SECC and Hydro's non-economic contribution to the city, and to Scotland, is in terms of putting Glasgow on the map

for major touring acts. The presence of the Hydro plugs a gap in the high end of the spectrum of venues, and in addition to obvious commercial benefits to SEC Ltd, has fed into relationships with Glasgow City Marketing Bureau in promoting Glasgow as what SEC Ltd's Director of Live Entertainment John Langford calls, 'a top end music city'.

The partnership with AEG is beneficial (its AEG Facilities division operates the O<sub>2</sub> and Wembley Arenas in London), although it has no formal relationship with other venues run by AEG in terms of touring routes that would bring an act from, say, the O<sub>2</sub> in London to Glasgow. AEG Live (the promotional arm of AEG) is not contractually obliged to book the Hydro, although the strategic partnership with the parent company is obviously aimed at bringing content into the venue. It also operates with other major promoters,

### Notes

6. 'Bed nights' is a hotel industry term used as a measurement of occupancy. A bed night refers to one person occupying one bed for one night.





**Below**

The SECC first opened on the north bank of the River Clyde in September 1985.

Image © Nigel Young

notably Live Nation, and between 70% and 80% of its programme is promoted by Live Nation or Live Nation partner businesses (e.g. SJM, DF Concerts).

The naming rights do not directly drive bookings, although the marketing collateral of SSE (which is also entering into a naming rights deal with Wembley Arena) and its customer base are an indirect benefit. The capital injection into the building also affords the Hydro lower operating costs, which makes it more competitive to promoters.

#### Education and training potential

Given the international appeal of the Hydro, and other SECC venues, it is less apparent what their relationship to Glasgow's *local* music scene is in terms of support for fledgling acts. They are, however, moving towards conversations with local educational institutions to

see whether any mutually beneficial relationships regarding content ideas and placements for Events Management courses are possible. This has the potential, if enacted, to more closely align the commercial activities of the SEC Ltd venues with the young people who populate the smaller venues, as opposed to the more occasional customers of the arenas.

Although they illustrate the need for public money to get such large spaces up and running, SEC Ltd and its venues operate at a profit suggesting that the initial investment pays off in the economic regeneration of the environs, with 224 performances and 976,024 visitors in the year up to 2012<sup>7</sup>. This commercial success, and its impact, looks likely to continue with the Hydro, although the *cultural* benefit to the city and its musical practitioners is less immediately obvious.

SEC Ltd sees its main competition as coming from other sectors, notably sport, rather than other music venues in particular. Consequently, it views its role in Glasgow as making it competitive, commercially but also more widely, as a *city* internationally – in comparison to places like Austin and Nashville.

**The SSE Hydro Arena has helped to cement Glasgow's place on the international touring circuit, and is currently placed 4th on the Pollstar 'Top 100 Worldwide Arenas'.**

**Notes**

7. SECC Corporate Review 2012, p.13





# LEEDS

Leeds has a strong base across all musical forms, and the city is a good example of how investment in public spaces has fed into both the commercial and state sectors.

PRS for Music collected returns from 452 ticketed events in 2012 (see Table 4, below).

### Promotional models in Leeds

The commercial sector in Leeds is characterised by close relationships between the independent venues in the city centre, and beyond, such as Oporto (120 capacity), The Brudenell Social Club (400 capacity) and The Cockpit (500 capacity).

Futuresound, which runs The Cockpit and The Wardrobe, promotes in smaller venues, and the arrival of the Leeds Arena, where it put on Vampire Weekend, has allowed it to move up a gear.

Public support that Leeds City Council gives to the annual Live at Leeds Festival, which takes place across many venues, helps to foster these relationships and build the commercial sector in Leeds. Live at Leeds itself benefits from such in-kind investments, not least from time given from staff and students at higher education institutions such as Leeds Metropolitan University.

Higher education also provides key city centre venues in the form of The Stage (1,000 capacity), at Leeds Metropolitan University and Leeds University Student Union, which operates venues on campus, including the 1,000 capacity Stylus and 2,100 capacity Refectory. These serve both local and national promoters and the range of venues in Leeds University Student Union caters for locally based and touring acts.

### Below

Rokia Traoré at the Howard Assembly Room, which brings jazz and world music to the city, and the region.  
Image © Tom Arber

The 2,300 capacity O<sub>2</sub> Academy is too large a space for most local acts and primarily serves touring bands. However, the arrival of the O<sub>2</sub> has had a deleterious effect on the Refectory at Leeds University Union, which has seen bookings fall. In particular, it is unable to compete with the O<sub>2</sub> in attracting touring acts, due to the relationship that AMG has with the major promoters, particularly in relation to planning tours.

Public sector activity is also represented by Leeds Grand Theatre and Opera House Ltd, which operates the Grand Theatre (1,550 capacity), the Howard Assembly Room (300 capacity), the City Varieties Music Hall (467 capacity), Hyde Park Picture House (275 capacity cinema) and Leeds Town Hall (1,200 capacity). It is a company owned by Leeds City Council. Leeds City Council also owns the Arena, which is operated by SMG, part of a major international company based in America.

Table 4: Ticketed concerts returning to PRS for Music in Leeds in 2012

Venue Type	Number of Concerts
Arenas & Stadiums	0
Mid-level Venues (Capacity 2,500+)	2
Theatres (Capacity 1,000 - 2,499)	149
Clubs (Capacity Under 1,000)	136
No Capacity Information	163
Parks	2
Overall	452

Source: PRS for Music



# LEEDS CASE STUDY

## OPORTO

### Below

Oporto hosts both local and international talent on Call Lane.  
Image © Oporto

Situated on Call Lane, a busy city centre street with numerous pubs, clubs and venues, 120 capacity Oporto shows how small venues exist in a network of relationships with larger organisations. They have close, informal, relationships with Futuresound, who will put on events there that are unsuitable for their own larger spaces.

Although run as a pub, Oporto has an in-house promoter, Nick Simcock, who manages its calendar for Leelex Ltd which operates five other pubs. His network and background in live music – he is a former promoter at Sheffield Student Union and operator of a record label, Dead Young Records – serves as a link between the local and wider scenes. MAMA group also promote at Oporto, and comparable Leeds city centre venue Nation of Shopkeepers.

But it also illustrates the difficulty that smaller venues without direct support from majors have in appearing on the radar of international touring acts, which sometime might play larger venues that are potentially less appropriate for them.

As Simcock explains, ‘Agents or managers will be like, “We’ve decided in a management meeting that this band needs to do a Leeds show”. They should be hitting Leeds on this tour, so they’ll just go to their ‘go to’ people. And that can make it difficult when you would really like to work with a band, and nurture

them on their way up, and then it’s given to a promoter with no real concern for that band. They’re just told that maybe they’ll make some money out of them so they’ll just put on this first show where [the promoter] won’t necessarily make any money.’

### The advantage of integration

This also shows the advantage, right across the sector, of integrating different types of businesses. Oporto benefits from Nick Simcock’s other music business activities and track record, as well as the relationships that come with them. He says, ‘We can punch above our weight. The trick of that is the longer you do it, the more success stories you’ll have and the better your CV, *per se*, looks. And having other strings to your bow does help with that. Because I release records, and manage a couple of bands, that gives an extra line of credibility to it, because people have heard of those bands outside of Leeds.’

### Noise and disorder: the burden of proof

However, as with the Glad Café, the relationship with neighbours and council required expensive mitigation. With soundproofing deemed insufficient, eventually the owners of the bar bought the flats above which they now rent to staff. The impact on programming was also significant. ‘There was three months where we had to cancel every gig that had a drumkit’, says Simcock.

Part of the issue here is a clash of cultures between live music and council administrators, whose job is to protect residents but who can sometimes lack a sense of how a small venue operates. The burden here, however, rests on venues. Oporto received complaints, via the council, about nights on which they could prove they had not put on live music.

The initial run of complaints was also predominantly from a single resident who had ‘moved in knowing that we existed, and started complaining straight away’ despite conciliatory offers, such as paying for him to go out to dinner while the gig was on.

The same applies to policing. An initiative to deal with the late night drinking crowd on Call Lane led to a mobile unit at the end of the street, which adversely affected early evening trade. Marking off the area with cones, to prevent the late night crowd from moving into other areas, also caused an increase in incidents as different groups of people were encouraged to stay in the same area. The police, just doing their job, noticed that there were a lot of incidents and reported this news back, thus reinforcing the policy, and its detriment to the venue.

It took a concerted effort, and filming the late night flow of people, for Oporto to illustrate its case that marking off the area was not alleviating the problem and, in some cases, was making it worse. Perhaps it is inevitable that the broader remit of the police leads to a different set of priorities regarding crowd flow. But closer dialogue with the venues at the heart of the operation could have provided more effective management of the situation.

**‘We can punch above our weight. The trick... is the longer you do it, the more success stories you’ll have and the better your CV, *per se*, looks.’**

Nick Simcock  
In-house Promoter  
Oporto



# LEEDS CASE STUDY

## GRAND THEATRE & OPERA HOUSE AND HOWARD ASSEMBLY ROOM

The Grand Theatre & Opera House and Howard Assembly Room are the home to Opera North and as such benefit indirectly from both Leeds City Council and Arts Council England money – Opera North receiving £740,000 from the City Council and £10 million from the Arts Council (from a total of £18 million that goes into Leeds).

Like the other Grand Theatre & Opera House Ltd venues, the Howard Assembly Room also gets a grant from the City Council and benefits from in-kind contributions such as officer time, advice on capital projects and council insurance. As with Glasgow Life, there is a feeling that the existence of a company distinct from the council allows it to be more fleet footed in terms of raising revenues from other sources.

This financial and indirect input from the Council does provide a cushion of commercial support. Nevertheless, relationships with the commercial sector, like the Glasgow Life venues, come about through the venues' need to make up the difference with commercial hires and other commercial activities. As with Oporto, and most commercial venues, a significant source of income is through the bar.

### The touring circuit

The element of public money has a direct impact on programming and the Grand Theatre & Opera House Ltd venues are illustrative of a touring circuit that straddles commercial acts and national companies. In particular, it serves jazz, folk and world music acts that operate commercially but to smaller audiences than their rock and pop contemporaries. The Howard Assembly Room, for instance, will do cross-promotions with jazz and folk festivals in the region, to plug into the touring circuit.

As Charlie Rowley of the Howard Assembly Room explains, 'If they're performing here, because it's only a hop, skip and a jump, the smaller festivals can afford to take these international artists who they otherwise wouldn't be able to afford'.

### An enabling role

Whilst the need for commercial income drives more 'popular' shows, these also allow for less commercially viable 'high culture' events that don't receive direct subsidy, or less populist ventures from commercial acts. Rowley regards this as an 'enabling' role, and smaller commercial outfits benefit from the fact that a publicly supported venue can use its status to mitigate risk by bringing international artists to the area. Artists benefit from the opportunity to produce works with a niche appeal that strictly commercial promoters either would not or, at the smaller end, could not take a risk on.

Public subsidy both enables and *requires* this mix, the commercial programming alleviating the financial risk on more esoteric events, which are put on to serve a remit to provide diversity to the local audience.

'You programme some stuff that you know is going to sell a lot of tickets and then some stuff you programme because you think it's what you should be doing, you should be exposing your audience to it, giving the audience the opportunity to see that work. So it's all a balance.'

**Charlie Rowley**  
General Manager  
Howard Assembly Room

**Below**  
The Tallis Scholars at the  
Howard Assembly Room.  
Image © Brian Slater





# LEEDS CASE STUDY

## LEEDS FIRST DIRECT ARENA

As with the SECC Halls and SSE Hydro, the 13,000 capacity Leeds Arena was made possible by public money. The model is different, however, and rather than the operation of the venue being spun off into a company in which the council has a stake, it is leased to SMG.

Both city and UK money fed into the £83 million project, with contributions from the Regional Development Agency (and so, ultimately, the Treasury) and Yorkshire Forward (£10 million). Leeds City Council contributed £22 million (£11 million directly, £11 million from the value of the land) and the rest was leveraged against the rental income, over 25 years, from SMG.

In addition to the baseline rent (which rises according to the RPI), SMG also pays a profit share to the council as a percentage of turnover. In its first year of operating, the Arena made a surplus of £350,000, with a surplus of £500,000 so far this year.

Like the SEC Ltd venues, the 'headline' benefits are in urban regeneration, and the Arena as so far brought £50 million of

direct investment into the city, primarily in its Northern Quarter. This includes a £35 million Hilton Hotel development and the occupancy of a vacated Leeds Metropolitan University Building by a Premier Inn.

### A city centre arena

A crucial aspect of the Arena project is its location in the city centre, not only in terms of bringing third party investment but through direct revenues from the neighbouring carpark, owned by the Council. This has 1,250 spaces and operates on a daily basis from 7am to 7pm, filling all of those spaces again on concert nights.

Like the Glasgow Hydro Arena, the value to the city's grassroots musical life is less clear-cut, although venues like Oporto have remarked on a more active nightlife across the city since it appeared and it has a relationship with Leeds Metropolitan University regarding training. Whilst there nevertheless remains some scepticism at the grassroots about how far local acts and venues will benefit from a project aimed at top-end touring acts, the long term impact on the city's identity as a music destination is likely to be positive.

The UK's size means that competition is intense for international acts. The hope, which bookings so far appear to be bearing out, is that the First Direct Arena will promote Leeds into a different league, giving it a chance to join the 'trunk circuit' of London, Birmingham, Manchester and Glasgow. It was awarded the New Venue of the Year title at the 2014 Stadium Business Awards.

This is not just a matter of civic pride. It is also a means of tapping latent demand and bringing people to arena shows who might not travel to Sheffield or Manchester. Likewise, it is a way of extending the use of the city centre. Head of City Development, Martin Farrington, gives an example. 'The benefits are [in] the breadth that you get. I remember when Leonard Cohen played, there was the interesting point in a city that's learning to adapt with an arena, that there was Fresher's Week in full swing, and at quarter to eleven, they clashed with the Leonard Cohen audience, who were fifty-five to seventy-five, coming into the city. And Leeds would not have had, before the arena, ten or eleven thousand people of fifty-five to seventy five, going into the city centre at 11 o'clock.'

'I think it's demonstrated in the first year that there's a lot of latent demand in Leeds, there's a lot of people going to events in the Leeds First Direct Arena, that would not have gone to events in other arenas, because they're outside of their catchment areas.'

Martin Farrington, Head of City Development, Leeds City Council



# THE OVERALL PICTURE

The live music sector in the UK is shaped in no small way by its size. Competition amongst cities at the upper end of the commercial sector is intense, with London, Birmingham, Manchester and Glasgow forming the main route for the premier international acts, and other cities investing to place themselves onto that circuit.

## Integration

Across the range of capacities, integration with other aspects of the live music business is important for driving trade. This applies locally to the relationships between independent local venues and promoters and to their relationships with the larger operators. It also means that major operators – like Live Nation and AEG Live – are thus able to take on venues that were previously run by local councils, minimising risk due to their international relationships.

## Public investment and the commercial sector

The major promoters benefit from public money in the long run. Market failure in live music is often seen as state subsidy for classical and other less commercial forms of music. But, with the exception of Newcastle, all of the arenas were built with considerable input from public money. Benefits flow both ways. As long as the venues are run successfully, they bring investment to the area.

Market failure at this end is in the size of the initial capital investment required. This applies in terms of direct contributions from local councils, as with Leeds and Glasgow, and the value of the land. AEG, for instance, benefitted from inheriting approximately £120 million in infrastructure from the Millennium Dome but turned what was a hitherto widely derided development into a successful venue – the O<sub>2</sub> Arena – winning International Venue of the Year at the 25th Annual Pollstar Awards in 2014. Once the capital costs for set-up are addressed, often from the public purse, commercial operations help to turn a location around.

The integration and capital resources of the biggest promoters also have an undoubted effect in terms of overall provision. Live Nation, for instance, is able to invest in venues that might not otherwise survive, like the Manchester Apollo, and preserve them as music venues. Venues that Live Nation and its partners operate also feature heavily on the touring circuit at the mid-level and upwards.

## Local councils and independent venues

Local councils are increasingly aware of the contribution of live music to their cultural provision. But this tends to focus on their 'big picture' projects and high culture remits at the expense of independent operators who deal more often with the environmental health and licensing departments whose priorities lie elsewhere.

There is room for a more 'joined up' approach, recognised by councils but not felt by venues, who often bear the brunt of regimes that put the burden of proof, and capital outlay, on them in terms of managing competing claims regarding noise and the management of crowds in public spaces.

## New initiatives

The struggle of these independents is now becoming apparent. Historically, one of their problems has been the lack of a unified voice. Recent initiatives like Independent Venue Week and the Music Venue Trust seek to address this.

The Music Venue Trust's goal is to leverage the historical status of venues to place them on the Register of Community Value, which stipulates a six-month period before the sale of a building to allow the community to place a bid. It is also leading a campaign for a review of Noise Abatement Legislation to place greater emphasis on the fact that venues *in situ* prior to neighbours moving should have a claim to continue their operations. The 'right of first occupancy' has been debated in New South Wales and Western Australia and could be worthy of consideration here<sup>8</sup>.

**'The UK is the most competitive market in the world.'**

Paul Latham  
President UK  
Live Nation

## Notes

8. Cloonan, M. (2007), 'Lessons from Down Under? Popular Music policy and decentralised government in Scotland and Australia', *Scottish Music Review*, 1:1, p.34.

# THE OVERALL PICTURE

## Laws of unintended consequences

Just as noise abatement rules place the onus on venues, often regardless of the fairness or otherwise of the case, all legislation can have an effect on cultural provision.

The Health & Safety Executive has proposed the removal of an Approved Code of Practice, which provided an exemption for the live events sector (for activities like constructing marquees) under its Construction (Design & Management) Regulations. This could mean that any event with more than one contractor (such as a lighting and a sound technician) could be required to appoint a Principal Designer and a Principal Contractor.

With 8,014 music events returning to the PRS in Camden, Glasgow and Leeds alone in 2012, including those in small venues, the potential administrative cost associated with making such appointments, or subsequent fine upon failure to do so, could incur significant costs on the sector as a whole, with a disproportionate effect on Small to Medium Enterprises. Andy Lenthall of the Production Services Association points out that this is also not in line with the sector's good safety record.

## The importance of dialogue

As with local councils and venues, dialogue is crucial and the Production Services Association is currently calling for an impact assessment of the proposed change. As Lenthall puts it, 'Nobody, no government department, sets out to destroy an industry. If we were killing a thousand people a year and it was going to cost the sector half a million quid a year to stop that happening, I'm in. But that's not what's happening here. It's something that isn't going to prevent what isn't happening anyway. It's just going to create paperwork and not have a positive effect on the ground.'

Policing costs are also a matter of growing concern for major promoters and festivals as the charges for Special Police Services at events rises. Given this situation, and with independents feeling pressure locally, there is a growing need for negotiation between the live music sector and public bodies without a specifically cultural remit if those bodies are not to have an unintended chilling effect on provision.

## Skills and training

This is one key area in which the major operators are feeding back into the public sector. Live Nation's support for Creative & Cultural Skills and abolition of unpaid internships is a welcome investment in the next generation of industry personnel. The Memorandum of Understanding regarding training opportunities between SMG / the First Direct Arena and Leeds Metropolitan University is another example of how benefits can accrue for a local area beyond large-scale investment from multinational businesses in city centres.

The movement of personnel across private and public sectors is a key driver of this, as they bring their relationships to bear on their activities. The subsidised venues, Arts Council and Trusts such as the Roundhouse have long been active in this education and outreach and there is scope for the commercial relationships between these spaces and the industry heavy hitters to build the skills base.

**'Being a good neighbour is a reciprocal process. We believe this is a common sense approach - if you hate sport, why move next to a football pitch? If you hate music, why move next to a live music venue?'**

Mark Davyd, CEO, Music Venue Trust



# CONCLUSIONS

As shown by debates over the licensing of entertainment – and payment of artists – surrounding the 2012 Olympics, live music feeds extensively into cultural life as well as the cultural economy. This project provides a snapshot of that relationship. We have sought here to illustrate the breadth of this activity in a range of contexts behind the headline numbers.

Areas of concern vary across the overall ecology – such as ‘pay to play’, generally at the small to medium end of the spectrum or the secondary ticketing market, generally further up the ladder. Nevertheless, the problems live music faces at various levels are intertwined. Meanwhile the role that *all* venues play in fostering musical talent is clear.

## Pressure points

The weakest point of the live music ecology at present is the small to medium independent venues. This situation could be mitigated by greater harmonisation of regulatory regimes and their implementation across the UK. This is particularly the case with regard to noise abatement where taking more account of ‘right of first occupancy’ has the potential to benefit the local music ecology. A more consistent overall approach may also benefit the major operators, making it easier for them to deal with the logistical needs of international tours.

Policymakers could better account for the cultural and economic input of small venues. Awareness of the value of live music to their towns and cities is often reflected in major developments whose main beneficiaries are larger businesses or other sectors (notably the service industry).

Many local councils appreciate the need for a more ‘joined up’ approach but this has long been voiced without being consistently implemented. Competition between cities is intense and whilst this drives significant investment in infrastructural projects, one of the side effects of such regeneration can be a tougher environment for venues without the commercial or political wherewithal to adapt quickly to ‘gentrification’.

The rationales behind large-scale arena projects, and public investment in them, often feature their positive impact on local businesses. These benefits are clear. However, equally evident from our research is that supporting smaller spaces for live events also has long-term impacts – it develops the talent which goes on to fill larger spaces.

## Areas for dialogue

There is also a need for a stronger dialogue between the live music sector and public bodies. Regulations and legislation that these public bodies enact can have unexpected and potentially unfortunate results for live music provision – as evidenced by the Clean Neighbourhoods & Environment Act, Construction (Design & Management) Regulations and wider concerns about how best to police live music.

Beyond contributing to national and local economies, music venues of all sizes provide a cultural resource of immense social value. This is manifest not only in their offer to audiences but increasingly in relationships with educational and training bodies – a positive step in building the UK’s skills base.

Such contributions are tied to more general institutional relationships between private and public organisations in the musical ecology, which are worthy of further investigation, especially since they pertain to the cultural sphere at large.

## Further Reading

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- Frith, S. Brennan, M., Cloonan, M., and Webster, E. (2013) *The History of Live Music in the UK: Volume 1: From The Dance Hall to the 100 Club, The History of Live Music in Britain, 1950-1967*, Farnham: Ashgate.
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- SEC Ltd. (2013), *2011/2012 Corporate Review*
- UK Music (2013), *The Economic Contribution of the Core UK Music Industry*, UK Music
- Webster, E. and Behr, A. ‘What makes for a healthy musical city?’ <http://livemusicexchange.org/blog/live-music-101-6-what-makes-for-a-healthy-musical-city-emma-webster-and-adam-behr>

Many of these and other relevant resources and posts can be found at [www.livemusicexchange.org](http://www.livemusicexchange.org).

# NOTES ON METHODOLOGY

The primary focus of this study was to provide a qualitative account of venue operators in the UK. Our main method was therefore semi-structured interviews, whose aim was to provide equal space for stakeholders from across the live music ecology – nationally and locally.

This meant finding a balance between subsidised and commercial operations and policy personnel at local and national level. Space did not permit direct quotes from every interviewee. However, the perspective of all of them was taken into account in our consideration of the picture as a whole. In particular, contributions from Westminster policymakers and organisations with a national reach (such as Live Nation and the Musicians' Union) fed into this overall view.

Whilst our goal was to get 'beyond the numbers' rather than duplicate the useful work done by bodies like UK Music and PRS for Music, we also wished to place the voices represented in this study into a broader context. In this regard, information provided by PRS for Music was a useful means of providing a sense of the *minimum* scope of live music activity in each city. These figures, based on returns to the PRS from different capacity brackets, are a baseline figure for ticketed shows – the trunk from which many smaller events grow out.

The details provided by our interviewees give a sense of the extent of the connections between people behind these basic figures, and the network of relationships that they represent. We are grateful to PRS for Music for providing this framework for the range of live music activity.

All figures not listed as sourced from the PRS were received directly from our interviewees or the literature cited. We are also grateful to UK Music and the Musicians' Union for access to the people who make these events happen. Venue operators, promoters and policymakers are busy people, not always available within the short lifespan of a project like this and the involvement and support of these bodies in facilitating contact made a large number of these interviews possible.

Whilst we have inevitably synthesised a range of perspectives to produce this report, and the conclusions are our own, the insights and advice of the following people has been of enormous value and will continue to feed into the ongoing work of which this marks the start:

- Fiona Anderson, Trusts & Statutory Manager, The Roundhouse
- Corinne Bass, Associate Bridge Programme Manager, The Roundhouse
- Svend Brown, Director of Music, Glasgow Life; Director, Glasgow UNESCO City of Music
- David Byard, Assistant General Manager, The Barfly
- Lord Clement-Jones, All Party Parliamentary Group on Music
- Mark Davyd, CEO Music Venue Trust
- Guy Dunstan, Birmingham NEC Group; Chair, National Arenas Association
- Peter Duthie, Chief Executive, SEC Ltd.
- Dave Gaydon, Head of Music, The Roundhouse
- Jef Hanlon, Promoter
- Mike Heaton, Embrace, The Hop (music bar), Leeds
- Sharon Hodgson MP, MP for Washington & Sunderland West; All Party Parliamentary Group on Music
- Susan Holden, Principal Projects Officer, Entertainment Licensing, Leeds City Council
- Rich Huxley, Hope & Social
- Stephen Keeble, Venues Manager, Leeds University Student Union
- Tom Kiehl, Director of Government Relations & Public Affairs, UK Music
- John Langford, Director - Concerts, Events & Ticketing, SEC Ltd
- Paul Latham, President UK, Live Nation
- Andy Lenthall, General Manager, Production Services Association
- Cluny MacPherson, Chief Officer – Culture & Sport, Leeds City Council
- Bridget McConnell, CEO, Glasgow Life
- David McLaren, Head of Policy, The Royal Parks
- Jill Miller, Director of Culture, Glasgow Life
- Sam Nicholls, Lecturer, Leeds Metropolitan University; Board Member, Leeds Music Hub
- Charlie Rowley, General Manager, The Howard Assembly Room
- Mariana Salgueiro, Licensee, The Dublin Castle
- Nick Simcock, Oporto; Dead Young Records
- Joe Smillie, Venue Manager, The Glad Café
- Rachel Smillie, Business Manager, The Glad Café
- Morris Stemp, North of England Regional Organiser, Musicians' Union
- Matt Wanstall, North of England Regional Officer, Musicians' Union
- Mike Weatherley MP, MP for Hove & Portslade; Founder, Rock the House, All Party Parliamentary Group on Music
- David Webster, London Regional Senior Organiser, Musicians' Union
- Kelly Wood, Live Performance Officer, Musicians' Union
- Lucinda Yeadon, Executive Member for Leisure & Skills Leeds City Council

This report is available online at  
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